THE EVOLUTION OF RELATIONSHIP QUALITY AT AN INTERNATIONAL LEVEL: A QUASI-LONGITUDINAL QUALITATIVE STUDY OF THE RELATIONSHIP BETWEEN FRENCH BUYERS AND INTERNATIONAL SELLERS

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Abstract
This research captures the evolution of relationship quality between the buyer and the seller, in a B-to-B context, at an international level. The quasi-longitudinal qualitative study of 39 buyers shows that the nature and determinants of the quality of relationships change at each phase of the relationship. Among the determinants, cultural sensitivity plays a key role during the most advanced phases of the relationship. Managerial recommendations are proposed to improve the quality of the relationship for a long-term and sustainable partnership.

Keywords: Relationship quality, B-to-B relationships, cultural sensitivity, relationship phases.
A study by Capgemini Consulting (Global CPO, 2010) reveals that nearly 80% of Purchasing and Supply Chain Managers of 150 global companies say that they place the creation and development of sustainable customer/supplier relations at the heart of their strategic priorities. This awareness has recently been strengthened by the findings of a survey in the B-to-B sector (Décisions-Achats, 2011) which shows that good customer-supplier relationships can increase companies’ productivity by 3-5%.

At the same time and in a similar vein, various studies (Zhang et al., 2003; Harich Labahn, 1998) stress the importance of developing and maintaining, over time, a quality relationship between customers and international suppliers, all the more so in that the international B-to-B context is characterized by a reduced number of participants in multi-phase exchange relationships (Dwyer et al., 1987), product complexity, large investments and high-stakes negotiation requiring a sense of the long term (Usunier, 2001). Crosby et al. (1990) have shown that to achieve successful business relationships over the long term, companies should be sensitive to the cultures of foreign partners. Some authors (Zhang et al., 2003; Prime et al., 2009) have suggested using the concept of cultural/psychic distance. Yet research, including a study by Evans and Mavondo (2002), reveals that a large cultural distance between importers and exporters and high performance are not antithetical. The empirical work of Bianchi (2006) carried out in an international B-to-B context corroborates this finding by confirming the lack of connection between cultural distance and constructs, prior to performance, such as trust and commitment. In the present study we have chosen to retain the least restrictive concept of cultural sensitivity.

The aim of this paper is twofold: first, to study the concept of relationship quality in B-to-B within a temporal perspective; and secondly, to address its determinants, particularly the role of cultural sensitivity, with respect to each phase of the relationship. Our thinking thus clearly falls within the paradigm of relationship marketing and its extension to the international level (Samiee and Walters, 2006).

In the first part, we discuss the conceptual framework of relationship quality and cultural sensitivity. The second part will in turn be devoted to analyzing the results of the qualitative study of 39 Purchase Managers in companies from various B-to-B sectors.

THE CONCEPTUAL FRAMEWORK

Loyalty creation factors (Hewett et al., 2002), close collaboration (Anderson and Narus, 1990), improvement of operational planning (Han et al., 1993), security and continuity of business flow (Sheth and Sharma, 1997), and the virtues of the relationship quality have often been demonstrated and reported by researchers. Yet the study of the concept of relationship quality has not been accompanied by an in-depth examination of the forms characterizing its components and their evolution over time. We shall endeavor to make good this lack in this part of the paper.

RELATIONSHIP QUALITY: A MULTIFORM META-CONSTRUCT

The relationship marketing literature refers to several definitions of relationship quality, all fairly similar. Reflecting the overall strength of the relationship, relational quality is a broad assessment of the strength of a relationship and how it meets the needs or expectations of the parties, in accordance with the history of failures and successes recorded during the relational process. In other words, it is a kind of overall judgment of interactions that ultimately depend
on acts by the personnel in contact with each other – the active participants in the process – and their ability to meet the needs and expectations of their exchange partners (IMP Group, 1986). Jap and al. (1999) consider relationship quality as consisting of evaluations of various aspects of relationship-attitudinal, process, and future expectation.

We follow the latter definition for two reasons. First, it emphasizes the processual nature of the relationship, which fully justifies the approach we adopt in this study: each phase is predetermined by the preceding phase (Dwyer et al., 1987; Jap and Anderson, 2007). A history of successful basic exchange between exchange parties precedes any willingness to move towards close collaborations. There is thus a “memory effect” which shapes the actors’ behavior. Second, it refers to a regular assessment of the relationship, calling for a methodological approach based on the quasi-longitudinal qualitative study used for this paper.

Several studies have shown that relationship quality has a positive effect on the development and maintenance of customer-supplier relations (Palmatier et al., 2007; Skarmeas et al., 2008). In the literature, relationship quality is viewed as a meta-construct conceptualized in a multidimensional way (Crosby et al., 1990; Dwyer et al., 1987) by a set of variables such as trust, opportunism, commitment, satisfaction and ethical profile.

However, the triptych trust / commitment / satisfaction seems increasingly to be agreed upon by the majority of researchers in B-to-B studies (Crosby et al., 1990, Vieira et al., 2008). They also agree that these three dimensions are, on the one hand, inter-related and, on the other, that they evolve and change during the relationship. Thus, over time, three forms of trust may be identified (author, 2010, 2011): calculated trust, cognitive trust and emotional trust. As regards commitment, researchers (Ganesan et al., 2010) distinguish two forms: calculated commitment and affective commitment. And in regard to satisfaction, the B-to-B literature reveals two forms: the first, more intermittent, known as transactional satisfaction and the second, more cumulative, termed relational satisfaction (De Wulf et al., 2001). We will now elaborate on the constituent elements of relationship quality.

**TRUST**

It is in the industrial context that trust has emerged as a key success factor which is indispensable in customer/supplier relationships. Indeed, it is often noted that, in B-to-B, year t’s sales are 90% based on sales in year t-1 and, within this perspective, trust in the partner plays a pivotal role for maintaining the relationship, and consequently for profitability. This role proves to be even more crucial in customer/supplier relationships at the international level (Zhang et al., 2003).

*Conceptualization and forms*

There are three main views of trust in recent thinking.

- The first understands trust as an expectation (Dwyer et al., 1987) or belief (Morgan and Hunt, 1994; Kumar et al., 1995). Stemming from social psychology, this conception focuses more on the foundations of trust than on its behavioral effects.

- The second understands trust solely through its behavioral effects. Trust is thus treated as part of behavioral intention. In this sense it is closely related to notions of vulnerability and uncertainty (Moorman et al., 1992): the vulnerability of the person who gives his trust, since by trusting the other party, he puts himself in his hands. And it is also treated as trusting behavior actions, thus involving the notion of risk pertaining to deciding to trust someone.

- The third combines the two previous senses: trust is viewed both as expectation and as behavioral intention (Moorman et al., 1992). Unlike the first sense, this approach considers trust as an attitude variously incorporating cognitive, affective and behavioral elements.
Researchers unanimously view trust as a dynamic process. Mayer et al. (1995), for example, believe that a better understanding of trust comes from considering its evolution over time because of the development of the relationship. Of a mainly theoretical nature, studies incorporating the processual aspect of trust have shed light on the process of developing trust (Lewicki and Bunker, 1995). They report a change in its nature and antecedents, depending on the phase of the relationship. These researchers agree that trust develops gradually over time (Rempel et al., 1985), beginning at a low level and gradually increasing as the relationship is consolidated and strengthened. The study by Rempel et al. (1985), based on attribution theory, also indicates the existence of three levels of trust: predictability, dependability and faith. Predictability is influenced by the observed behavior of the partner and the stability of the social environment. Reliability is built on the perceived moral qualities of the partner. Finally, faith corresponds to emotional security. Lewicki and Bunker (1995) provide a typology of the development of trust in professional relationships. They view the development of trust as a process that includes several determinants at the beginning, middle and last phase of the relationship. As with the development of a relationship, three phases of situational trust are emphasized: trust based on calculation, accompanied by sanctions; trust based on knowledge, maintained by the ability to predict the behavior of the other person; and trust based on identification, fueled by empathy with the other person’s wishes and needs. These three phases are interdependent and the emergence of a phase is made possible by the completion of the preceding phase. A recent study (author et al., 2010) confirms the existence of these three forms of trust.

COMMITMENT

The concept of commitment has been the subject of many studies in various fields such as social exchange (Cook and Emerson, 1978) and inter-organizational theory (Meyer and Allen, 1984, 1991). In the field of relationship marketing, it is considered a key factor in explaining the customer/supplier relationship (Dwyer et al., 1987; Morgan and Hunt, 1994).

Conceptualization and forms
Commitment was initially conceptualized as an attitudinal construct amounting to an implicit or explicit promise of relational continuity between partners (Dwyer et al., 1987). This approach takes into account only the favorable attitude of continuity and therefore seems too narrow and simplistic. Other approaches offering a broader conception seem to us to be much more relevant for the study of commitment.

In this regard, Gundlach et al. (1995) define commitment on the basis of three components: an instrumental component resulting from an assessment of the costs, risks and benefits associated with commitment in the relationship; an attitudinal component – described in terms of emotional commitment – reflecting the desire and intent to develop the relationship and maintain it in a stable way, which implies keeping a certain cohesion in the relationship (Dwyer et al., 1987); and a temporal dimension (Anderson and Weitz, 1992; Morgan and Hunt, 1994), explained by the fact that the partners need to commit themselves over a long-term period. Similarly, the definition provided by Rylander et al. (1997) – “An enduring desire to develop and maintain exchange relationships characterized by implicit and explicit pledges and sacrifices for the long term benefits for all the partners involved” – brings out these three different aspect of commitment: a calculated dimension, based on a trade-off between the benefits hoped for and the sacrifices agreed to; an affective dimension; and a dimension relating to the intention to continue the commitment in future. Other researchers (Allen and Meyer, 1990; Geyskens et al., 1996) emphasize two forms of
construct: calculated or cognitive commitment, and affective or emotional commitment. Calculated, or cognitive, commitment, reflects a willingness to adopt behavior based on a rational economic decision, weighed up against the cost of switching which, according to Geyskens et al. (1996), results in “a cold calculation of costs and benefits associated with maintaining the relationship.” Affective, or emotional, commitment, corresponds to a desire to belong to the organization and adopt its values and goals (Geyskens et al., 1996; Kumar et al., 1995), reflecting a real identification and an emotional attachment between the partners.

SATISFACTION

The concept of satisfaction is often presented as an essential dimension of relationship quality. Most researchers agree that satisfaction plays a key role in successful customer/supplier relationships (Jap and Ganesan, 2000; Morgan and Hunt, 1994; Crosby et al., 1990). It should be noted here that this role is completely destroyed in the absence of two other dimensions, namely trust and commitment.

Conceptualization and forms

The concept of satisfaction has been the subject of an extensive literature in the field of mass consumption (Hennig-Thurau et al., 2002), and has been described as a post-purchase process through which the consumer evaluates the performance of a product or service. Researchers in B-to-B point to two forms of satisfaction: one, transactional satisfaction, is the result of the confirmation or disappointment of initial expectations at the end of a one-time experience; the other, relational satisfaction, refers to a lasting psychological state that takes account of the various aspects of the relationship in regard to the different experiences and observations pertaining to the partner during the exchange process. Relational satisfaction has two aspects: a cognitive aspect, based on evaluation of past performance of the relationship in achieving the objectives and expectations of the two partners (Crosby et al., 1990) and an affective aspect, based on the pleasure and emotion experienced during the collaboration (Palmatier et al., 2007). Customer satisfaction is thus an ongoing, permanent process and concerns the whole relationship (Eggert et al., 2006). Hence satisfaction related to a positive one-time experience will cumulatively enhance overall satisfaction.

CULTURAL SENSITIVITY

The concept of cultural sensitivity has aroused the interest of researchers in various fields of management (strategic alliances, human resources training for expatriates, consumer behavior, etc.). In international B-to-B, cultural sensitivity has been defined as “an exporter’s awareness of, and adaptation to, its importer’s domestic market business practices” (LaBahn and Harich, 1997). It is widely recognized that negotiations between firms internationally are sensitive to the cultural context. Ford et al. (2003) accordingly suggest that culturally distant exporters devote greater effort to all aspects of building relationships than exporters who are culturally closer to their foreign customers. In showing consideration and concern, the culturally sensitive exporter helps strengthen emotional ties by promoting the formation of more enduring links and thus facilitating the communication process with its foreign customer. A real psychological link between the culture of the exporter’s country and that of the importer’s, cultural sensitivity reflects the ability of the exporting firm to engage in an effective cultural exchange with foreign customers (Grewal and Dharwadkar, 2002).

There is no doubt that international marketing specialists have stepped up work on the cultural dimension, particularly by mobilizing culturalist approaches. However, the fact remains that
this angle of approach remains focused on cognitive aspects, often incorporated into international marketing mix variables. Yet international B-to-B marketing is also open to an interactive approach – the interaction process, the participants in the interaction (including personnel and culture), the atmosphere and general environment of the relationship – as was initially shown by the work of the IMP Group (1986). Therefore, the company’s success is closely linked to the ability of its contact personnel to decode both the behavior of the interface personnel and the working methods – necessarily embedded in local cultures – of international clients.

THE QUASI-LONGITUDINAL QUALITATIVE STUDY
After explaining the methodology, we will examine in detail the evolution of the dimensions of the quality relationship and its determinants, according to a three-phase relationship typology: exploration, expansion, maintenance.

METHODOLOGY OF THE STUDY
DATA COLLECTION
Given the difficulty of collecting longitudinal data, we followed the alternative methodology recommended by Anderson (1995). Accordingly we proceeded in two stages. The first involved drawing up a list of 150 companies meeting the three following criteria: 1) the existence of a formalized purchasing function in the company organization, 2) location (the Greater Paris region and inner suburbs) and 3) the existence of several foreign suppliers. Of these 150 companies, 50 agreed to contribute to our study. The second stage involved the formation of groups. Within this perspective and following Anderson’s (1995) recommendation and the theory of relationship development of Dwyer et al. (1987), prior to the interview we sent a brief description of each phase of the relationship to respondents so that they could choose which one best characterized the phase of the relationship they had with their foreign suppliers. Insofar as in the first and last of the five phases there is not yet or no longer any exchange between partners (see Appendix 1), we simplified our analytic framework by focusing solely on the three key phases of the relational process, namely exploration, expansion and maintenance. This focus allowed us to create three sub-samples corresponding to these three phases of the relationship. To implement the study, a semi-structured interview guide was designed with the main intention to get a full understanding of the nature and the evolution of quality relationship, as well as the role of cultural sensitivity. The five following themes were investigated: (1) the characteristics of the relationship between buyer-importer and seller-exporter, (2) the quality of the relationship with a supplier, restating the current phase of the relationship, (3) the forms of trust, commitment and satisfaction, (4) the factors conducive to improving the quality of the relationship over time and (5) the exporter’s personal characteristics and cultural sensitivity, while taking the precaution of systematically reformulating the respondents’ comments.

The 39 semi-structured interviews with international buyers lasted an hour and a half on average. The number of interviews was decided according to the principle of semantic saturation and theoretical saturation, reached when the sample is sufficiently varied – in this case on the basis of the phases of the relationship – and further observations no longer provide new information able to enrich the theory.

All interviews with the buyer-importers were first tape-recorded and transcribed then clustered as follows.
- 9 interviews with buyer-importers where the relationship with the exporters is in the exploration phase;
- 15 interviews where the relationship is in the expansion phase;
- 15 interviews where the relationship is in the maintenance phase.

Comparison of the three sub-samples (Appendix 2) shows, on the one hand, that the duration of the relationship and the length of time respondents have been in their current job varies according to the phase and, on the other, that the number of employees in the company and the respondents’ age does not vary for these same phases.

Table 1. CHARACTERISTICS OF THE SAMPLE

<table>
<thead>
<tr>
<th>Economic sector</th>
<th>Steel, metallurgy, textiles, food retail, specialized retail, plastics, medical equipment installations, pharmaceutical retail, hotels, transportation, avionics, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees</td>
<td>28.2%: more than 500; 30.7%: 50-500; 38.4%: less than 50.</td>
</tr>
<tr>
<td>Import country</td>
<td>Eastern Europe, India, Turkey, China, Germany, Italy, etc.</td>
</tr>
<tr>
<td>Position in company</td>
<td>64%: purchasing manager; 31%: director; 5%: business controller</td>
</tr>
<tr>
<td>Age of buyer</td>
<td>39%: 26-34; 28%: 35-44; 33%: 44-58.</td>
</tr>
</tbody>
</table>

METHOD OF ANALYSIS

Responses were coded on the basis of a mixed model. Many of the categories used in coding the data were predetermined from the outset (Huberman and Miles, 2002), but were not set in stone. This flexibility gave us the possibility of rejecting, retaining, supplementing and enriching some of these categories. The thematic content analysis comprised two main stages: categorization and interpretation (Bardin, 2001). In the categorization stage, after implementing a double coding (Krippendorff, 2003), we brought together, in a single table, all the interviews in columns (orderly by phase) and the categories in rows. We thus obtained both a vertical (the comments of each respondent/phase on all the themes addressed) and horizontal (the comments of all the respondents on a particular topic) reading. In the interpretation stage, we used a qualitative approach to identify the presence or absence of a given characteristic and a quantitative approach to calculate the frequency of occurrence of words and expressions pertaining to the different themes. These enabled us identifying similarities and divergences among the three sub-samples and drawing conclusions on the empirical material.

RELATIONSHIP QUALITY IN THE EXPLORATORY PHASE: THE PRIMACY OF ECONOMIC LOGIC

This phase of the relationship, marked by significant asymmetries of information between exporter and importer, is characterized by cautious behavior based on research and testing. We present below the most salient points regarding the dimensions of relationship quality and its determinants.

- Trust

At the international level, trust between the parties to the exchange plays a pivotal role in initiating the relationship and, consequently, for achieving and maintaining profitability for the partners. In addition, developing gradually over time (author, 2010, 2011), trust begins at a low level and in a calculated form. “Before working with a supplier, one is always a bit wary. So he has to be tested, and this is done by ordering a small volume. This allows us to check his responsiveness, his commitment to deadlines, and the follow-up to the order. In
finding out about the supplier, each of us tries to see the benefits we can derive from the relationship.” The relatively short history of previous exchanges favors a form of trust still subject to the evolution of the risk/benefit ratio. “I’ll be honest with you, I’m very pragmatic. Our job is not to say we’re in a trusting relationship with the supplier who delivers such and such a product at this price and we’ll continue with him. Even if I trusted him I have to keep my eyes open regarding the rest of the market. That’s what I’m paid for: to keep my eyes open! Otherwise the company doesn’t need me (...) what matters to me at this phase is the result.”

- Commitment
Although the relationship is in its infancy, the exporter is also evaluated in terms of the commitments made. Here commitment includes a calculated component resulting from an assessment of the costs, risks and benefits associated with the relationship. “You should never make hasty commitments. Commitments are made at the appropriate time. If we’ve already made two or three purchases from him and we have a certain trust in him, this will encourage us to commit ourselves a fourth time, that’s for sure.” Furthermore, it is important to note the presence of a temporal dimension of commitment based on perceptions (the true determinants of the intention to continue the exchange relationship) that each party to the commitment will have of its partner. “Thanks to a contract, we have committed ourselves and we have set the rules. It’s give and take, each party meeting its commitments to ensure that everything happens for the best.”

- Satisfaction
During the exploration phase, the relationship is still fragile and can easily be called into question. As the key dimension of the relationship quality, satisfaction is all the more important in that the customer does not yet consider himself dependent on his supplier and can break off the relationship quite easily. His degree of satisfaction results from the confirmation or disconfirmation of his expectations. This form of satisfaction, based on cognitive elements, is transactional satisfaction. “Satisfaction in terms of sales and reputation is very important for the beginning of a relationship, so we pay a great deal of attention to the first contacts we have with that supplier and we both try to respond to initial expectations and to maintain a healthy relationship. If there is no mutual satisfaction the contract would no longer be relevant.”

DETERMINANTS IN THE EXPLORATION PHASE
- The frequency of interactions
The trial process in this phase may be brief or, alternatively, extend over a long period of testing and evaluation (Dwyer et al., 1987). During this phase, the exporter’s effort is often directed towards its needs and compliance with the terms of reference. The aim is twofold: first, to create a higher value-added offering by trying to take account of cultural differences; and then to build the relationship by exchanging information on the needs of the foreign customer. “It’s never easy, but I hope that this first deal will be a good one and that it’s been adequately discussed. We’ve exchanged sufficient information for the supplier to know exactly what we expect.” An exporter is more likely to develop appropriate skills by listening, observing and interacting with its partners. The company’s interactions with customers involves not only making clear what its expectations are but also shared cultural knowledge. The need to increase the frequency of interactions is also crucial for the customer-importer. “For the moment, we are paying attention to clearly defining our requirement. This is very important every time and it’s not typical for this particular case. Clearly defining the requirement avoids
misunderstandings and avoids quality problems. The reason we went to see how it works in Germany was to increase the likelihood of it starting well for us.”

- **The benefits of the relationship**
The benefits of the relationship (Palmatier et al., 2007) refer to the relational and economic benefits derived by the customer and justify continuing the exchange relationship. Early in the relationship, the benefits mainly concern the economic, technical and logistical aspects directly related to the reliability and maintenance of the supply itself. “First of all, regarding the product, there are certain standards and norms to be observed. Then there is the quality of service offered: delivery times, the choice of transport, ease of payment, payment schedules, the efficiency of the After Sales Service. At the beginning of a relationship all this plays a major part.” But sometimes it is evident that the issues inherent in B-to-B markets, especially international markets, impel the customer, in a far-sighted approach, to go beyond the search for purely economic benefits and invest effort from the outset so as to avoid possible future friction. “It’s not necessarily the culture, but it’s working methods that define how things are likely to be different from one country to another. Therefore we’ll explain how we work in France, we want to have anticipated the adaptation problem so as to have a good relationship quality from the start, because we think this will produce everything needed to complete the project and automatically lead to its successful conclusion.”

- **The exporter’s qualities: competence**
The expertise and know-how of the exporter are important elements for its credibility and thus represent the basis of the relationship quality. “There are many key elements that have improved our relationship. His know-how, that is to say, that he’s been in business for a number of years, so I know he knows his job. And he’s serious and determined in his work, so I can easily have confidence in him.” The degree to which the customer believes his foreign supplier has the requisite competence also helps establish a lasting relationship. “The fact that this factory has the skills we were looking for, with a modern design team and tools, persuaded us to enter into a commercial relationship with this supplier.”

- **Cultural sensitivity**
The willingness of the exporter, during this phase, to respond to cultural differences and commercial expectations is not necessarily accompanied by great cultural sensitivity. “I’m not sure whether this supplier really understands how we run our business. That said, it’s not hugely important in our case for the moment. On the other hand, we should on our side understand and try to adapt to the ongoing changes in China. Otherwise, we can no longer work as well as before.” The exporter’s cultural adaptation is generally limited to the development of an offering conforming to the norms of the market targeted. “I think it is the foreign suppliers who adapt to us, so as to increase their turnover and sell as much as possible. On the other hand, they are not sensitive to our problems and our way of doing business. I think we’ll see this in the follow-up to our dealings. It’s still a little early to tell because our relationship is in its infancy.”

In this phase, relationship quality is not yet very strong but is sufficiently well established to create the conditions for future expansion.

**RELATIONSHIP QUALITY IN THE EXPANSION PHASE: A PREDOMINANTLY COGNITIVE EVALUATION**
The first results of past interactions begin to satisfy the partners; the prospect of working within a long-term relationship gains ground. In the way the partners interact, a cognitive dimension emerges in their exchanges. Below, we successively explain the dimensions and determinants of the relationship quality.

- **Trust**
  In this phase, we observe a regularity and consistency in the exporter’s performance, in relation to the quality of products and services purchases, which reduces the risk perceived by the foreign customer and contributes to the strengthening of trust. This trust building (Zhao and Cavusgil, 2006), is based on cognitive exchanges. “I had the opportunity to visit the plant in question. I know the boss personally and deal directly with him. I understand how they work, their mentality. The level of knowledge of the supplier indicates the degree of trust we have in him. And in this instance, we know each other very well.”
  Notable here is the progressive disappearance of the customer’s need to spell out his expectations and problems. The two parties mutually understand each other.

- **Commitment**
  While it corresponds to the wish to maintain the relationship in the long term (Dwyer et al., 1987), commitment is more akin to an economic constraint implying consent by both parties to make a personal effort. “Generally speaking, I would define our commitment in terms of three ideas: loyalty, transparency and mutual respect.” This commitment comprises both an economic and a cognitive dimension.

- **Satisfaction**
  Satisfaction is based on evaluation processes that are both transactional and relational. Specifically, the customer-importer takes into account the economic impact of the relationship on the performance of his business (negotiation costs, transaction costs) and the increase in sales (sales effectiveness, product usage). His satisfaction depends on the achievement of his objectives and expectations. “Our supplier must be able to show us that he can meet our expectations, work according to our working conditions, meet deadlines and comply with social and environmental standards.”
  It should be noted that non-compliance or non-execution of an agreed task, in a phase where trust is still cognitive in nature, can result in frustration and even disappointment, possibly leading to termination of the relationship.

**DETERMINANTS IN THE EXPANSION PHASE**

- **Communication**
  This phase is the time for deepening the relationship through improved information exchange. Any difficulties that may arise, such as cultural barriers or those relating to business practices, are more easily overcome in this phase. “Our supplier himself insisted on visiting our facilities, our offices and our stocks in order to understand our mode of operation and management. It was a matter of getting to know us and having confidence in us, I think.”
  Communication and ongoing dialogue have prophylactic properties that prevent misunderstandings. “Dialogue is essential in this phase because my supplier needs to realize that sure, costs and prices are rising in China, but the current economic situation is in fact difficult for everyone. So we both have to make efforts to maintain a good level of exchange. Communication is the basis of a lasting business relationship.”

- **Idiosyncratic bilateral investments**
The making of specific investments on both sides amounts to a real commitment and attests to a heightened level of the relationship quality. “The point which definitely allowed us to extend our agreements was the presentation by the owner of certain projects for technical investment and enlarging the surface area of the plant in the medium and long term. The latter evidence was strategically decisive: the undeniable skills and future potential of the plant perfectly fitted the picture we had of the ideal supplier.”

These investments can also take the form of voluntary exclusivity. “He made sure he had only one customer in each country and we are also his only customer in France. He is someone who is conscientious and makes a big effort.”

- **Conflict resolution**

In conducting the exchange, the exporter seeks to harmoniously resolve any conflicts and thereby to keep the relationship quality secure. “After listening to him, I’m aware that he really does have labor problems in China and that the merchandise is increasingly expensive, but I must also make him understand that here too the costs are going up. Faced with similar difficulties, we have always found grounds for agreement, and a favorable outcome to the problem.”

- **The exporter’s qualities: responsiveness**

Responsiveness, in this phase, is the bulwark against the customer’s possible dissatisfaction and is related to the ongoing maintenance of the relationship quality. Any unsatisfactory relational performance can be more easily corrected by the exporter’s promptness in resolving the problems arising. “In regard to this supplier’s specific characteristics, he is very responsive whenever I have a logistical problem or a traceability problem and this is what I expect from him. He is also innovative in his working methods, in that he works a lot through the Internet.”

- **Cultural sensitivity: a concern for both the exporter and the importer**

Though the expansion phase is characterized by the acceleration of information flows between partners, it nevertheless does not entail a behavioral affinity leading a fulfilling relationship. “By explaining to him how we work, the situation has improved and continues to do so. However, despite our very good relations, there are still points where we differ (...) We nonetheless continue to make mutual efforts that allow us to work hand in hand.”

It is important to emphasize the awareness of both importer and exporter of the need to make mutual efforts. “It’s a matter of mutual adaptation, by trying to reconcile cultural differences. Our company has to adapt to German thoroughness and our customer needs patience to cope with French bureaucracy. We build our win-win relations over the long term, based on a clear understanding of each partner’s constraints, and this allows both our company and the customer be more effective.”

**RELATIONSHIP QUALITY IN THE MAINTENANCE PHASE: AN ALCHEMY OF AFFECTS, EMOTIONS AND CULTURAL SENSITIVITY**

This advanced phase is characterized by predominantly emotional aspects. This affective dimension of the exchange has been demonstrated by authors such as Cova and Salle (2000), who, in a research project on international business, show that the exchange between the two parties creates, over time, a kind of emotional superstructure having a positive impact on the customer/supplier relationship. “We are at a phase where a sense of security is now firmly rooted in the relationship. There is a real investment, a partnership that is relatively stable, durable and safe. Our dealings are entirely positive in this respect. It is characteristic of our
business that relationships are built up over the years or even decades, which allows us to create real mutual trust and to work with a certain peace of mind.”

- **Trust**
The relational links between the partners during this phase tend to become more empathetic, as trust builds and increasingly contributes to a sense of security. “Trust is essential, especially in our businesses. This trust comes with time, but also through the reputation and standing of the company. “Our supplier, one of the largest in the world, has marketed its products worldwide for over 50 years, and this generates a sense of security when one engages in commercial relations with it.”

This heightened level of trust is shown by the formation of strong and resilient emotional relationships creating bilateral solidarity between the partners. “It’s when you’ve got problems that you find out who your real friends are, and in business it’s pretty much the same.”

- **Commitment**
Commitment becomes stronger and more perceptible between the trading partners. “A few years ago, one of our competitors, who also worked with our supplier, asked it to end its partnership with us. Although our turnover with this supplier is lower than it realized with the competitor, the supplier refused our competitor’s request. The supplier had confidence in us and knew that we would certainly increase our business with him if he continued our partnership (and that’s what happened!).”

This type of very advanced commitment can lead to interdependence or even the desire to further deepen the cooperation by developing shared professional experiences. “We strive to create the loyal and active participation of the various stakeholders during the preparation phase of purchases. Transparency in communicating relevant information and mutual respect between the partners.”

- **Satisfaction**
As part of the history of relationship episodes, satisfaction in this phase embodies a cumulative vision on the part of the buyers. Indeed this satisfaction derives increasingly from an overall assessment of the relationship. “For me, satisfaction is the result of results. It shows and proves that the trust during previous interactions is well-founded. It is an essential criterion in this phase because it enables us to know to a certain extent whether or not we will continue to maintain relations with the supplier. In short, it allows us to situate ourselves regarding the nature and state of the relationship.”

Note that the buyers spontaneously refer to the benefits of satisfaction from relationship quality. “Satisfaction gives rise to discussions, agreements, projects, it strengthens the trust one has in one’s supplier and guarantees a closer relationship. From the moment we are both satisfied, the relationship can only get better, a win-win relationship.”

**DETERMINANTS OF THE MAINTENANCE PHASE**

- **Similarity**
The long-term orientation of the relationship is sustained by the emergence of goals and projects with shared stakes for the customer and supplier. “This agreement between our visions implies on the one hand the co-development of growth, opportunities for international business, and innovation and on the other, the promotion of regular, reliable exchanges of information.”

With increased appreciation and sharing of the same values and expectations, the actions of the parties go beyond consideration of the interests and needs of their exchange partners. “The
sharing of cultural and professional standards plays a fundamental role. We have to show that we’re on the same wavelength.”

- The value of the relationship
The value attributed to the relationship by the customer becomes clearer in this phase and goes beyond purely technical and/or technical aspects. “When major changes occur in our company or theirs, management has always kept us informed. Six months ago, the supplier invested in a new industrial machine (...). So he invited us to come and see it, and on the same occasion gave us a demonstration. What was nice was that there was no financial advantage in doing so. The relationship we have with the supplier is underpinned by real sharing, a consistency and transparency between us. It’s a major benefit and is characteristic of this long-term partnership.”

It is clear that during this phase, relational benefits are increasingly present and determine the quality of the relationship.

- Confidential communication
Based on the partners’ mental and cultural programs, communication consolidates the quality of the relationship. “We see each other about twice a year, but with growth of new technologies we manage to communicate and keep each other informed of our situations fairly regularly, at least once a month and we can therefore speak easily about our common projects.”

Communication provides the basis for the development of common objectives and values and becomes more frequent if one seeks to intimately understand what is at stake for one’s partner. “As soon as a particular issue crops up, he calls us and asks us our opinion. It is also an informal relationship, it's true, but at the same time it allows us to have a very good understand of his business and we know very well who does what and so we can spend less time on it.”

Communication can also be subject to strict confidentiality clauses. “Our supplier uses the well-known NDA (non-disclosure agreement), especially when we work out the various roadmaps for future technologies together or when he tells us about their international strategy – the geographical areas where they plan to deploy their future partnerships, presentation opportunities, or the creation of new businesses.”

- The exporter’s qualities: responsiveness and proactivity
As well as responsiveness, the exporter’s proactivity – by reducing the customer international’s feeling of vulnerability or impression of opportunistic behavior – is the main contributor to the relationship quality. “For example, when there were transport strikes, he was responsive and was able to interpret things. I was having problems with various air freight organizations, but he wasn’t put out and arranged his own air transport so that I could make all my deliveries for the end-of-year festivities, whether or not there was snow. He’s also very interested in current events in France such as strikes, weather or other alerts, and is able to look ahead.”

- Cultural sensitivity
Cultural sensitivity reflects the ability of the exporting firm to engage in a positive cultural exchange with its foreign customers. Exporters with high levels of cultural sensitivity are likely to accept more easily the differences between their own culture and others. They are willing to “learn” from other cultures and show pleasure in being with and working with the importer’s contact personnel. “For us, he gets involved and makes sure that everything goes as arranged, despite the fact that our two cultures are different. He takes the trouble to adapt
by learning our language. So the cultural gaps that might have existed between our two cultures have disappeared over time.”

Cultural sensitivity enables information about the importer’s market to be better interpreted. “He is very familiar with the French market and particularly French regulations. He knows the requirements we are subject to and adapts accordingly.” Cultural sensitivity also helps the partners to adapt in cases of changes linked to the evolution of the business. “His adaptation to our way of doing business has improved the quality of our relationship. Partly, because he adapted by learning our language, which greatly helped exchanges and transactions. And partly because he is very interested in our activities and respects the way we do business.”

The engine of relationship quality, in this maintenance phase, is revealed as a combination of strong reciprocal cultural sensitivity, formal/informal and confidential communication on both sides, responsiveness and proactivity, and convergence of business visions. At this point, we can lead to an outline of a model of the relationship quality dynamic at international level.

I - EXPLORATION                      II - EXPANSION PHASE                     III - MAINTENANCE PHASE
OF THE RELATIONSHIP                             OF THE RELATIONSHIP                             OF THE RELATIONSHIP

MANAGERIAL IMPLICATIONS

In view of the findings of this quasi-longitudinal qualitative study, customer/supplier relationships in international B-to-B show a remarkable propensity to transcend cultural contingencies. The initial problems arising during the exploration phase are more easily overcome through such elements as trust, commitment and satisfaction. During this initial phase, the basis for building real relationship quality, in order to strengthen cultural ties with foreign customers, lies in the implementation of appropriate strategies, both in terms of market approaches – more Emic (each culture is unique and the behavior of international customers should therefore be studied and understood in its cultural context) then Etic (cultural differences are viewed as variations on universal traits) – and at the level of the interface personnel. However, the ultimate goal of the international company is to create a resilient, affective relationship quality of the most advanced and stable kind, which as a corollary will decrease the costs of maintaining the relationship and thus increase the long-term performance of the exchange partners. To this end, we put forward the following managerial recommendations.

ESTABLISHING A PERMANENT DYADIC TOOL FOR EVALUATING THE RELATIONSHIP

Ongoing evaluation of the state of the relationship should, on the one hand, take account of cross-cultural conceptual non-equivalence and, on the other, be implemented in a synchronized way (so as to avoid temporal bias in the respective assessments of the exchange
parties). After each transaction, the importer and exporter mutually evaluate the relationship both at an interpersonal level and at an interorganizational level on a scale from 1 to 10, supplemented by comments. To the extent that the constructs of relationship quality interact on the basis of reciprocity, feedback should be accessible to both parties of the dyad. This periodic monitoring (weekly, monthly, quarterly) allows the relationship to be tracked (in relation to any dissatisfaction, problems encountered, possible incidents or their recurrence, dimensions of the relationship possibly affected) as well as the collaboration with the supplier to be (re)structured (sharing of risks and value, financial commitments, collaboration around human resources and logistics, shared patents, etc.). To make the tool more relevant, the assessment can be refined by specifying the items for each phase of the relationship. For example, during the exploration phase, when emotional investment is very low or non-existent, the diagnosis could focus on the transactional aspects and checking the confirmation or disconfirmation of expectations in terms of the three dimensions of relationship quality. During the expansion phase, it would be appropriate to focus on the cognitive aspects related to possible disappointment and frustration, in order to detect the warning signs of potential damage, especially if the total score is below a certain threshold previously determined by each company. During the maintenance phase, the evaluation should be directed towards affective information pertaining to the contact (pleasant, warm, human, friendly, courteous, friendly, caring, kind, etc.).

Given the information asymmetries, differences in perceptions of contractual clauses and the opportunism often characteristic of international business dealings, this real-time tracking would, in our opinion, contribute to the efficient management of relationships with foreign customers. It ensures that the company is constantly on good terms with its partners, and where appropriate, can undertake corrective action to remedy any problems and even foresee irreversible situations. Since it’s flexible, multiphase and dyadic, we consider that this tool outperforms the simple evaluation of supplier performance or relationship assessment process.

DEVELOPMENT OF RELATIONAL SKILLS

The second managerial implication concerns the importance of non-cognitive skills for the relationship quality. Including the emotional and affective capacities, openness of mind and intercultural attitude of the seller-exporter, these competences find fertile ground in the most advanced, maintenance phase of the relationship. Furthermore, it would be appropriate to consider each relationship episode as a mini-maintenance phase, an opportunity to pass on experience based on strong positive emotions. Indeed, the memories associated with emotions (both positive and negative) are often remembered best, suggesting that it is in the exporter’s interest to make sure the history of the relationship with his customer is charged with positive emotions. Within this perspective, as Fisher and Shapiro (2005) suggest, elements such as appreciation and affiliation may be particularly strengthened. Liking the foreign partner reinforces his collaboration and creates an atmosphere conducive to communication, while affiliation contributes to the formation of a sense of belonging to the same network, thus reducing any mistrust of the partner and promoting the same values and expectations. Affiliation may take the form of intercompany networking or interpersonal clubs. Here we might mention the case of the Thales group, which set up PR4G(UC), a club dedicated to its customers from 40 countries on its secure radio-communication system. Thales also created the TUG (Thales ATM Users Group), a nonprofit association whose mission is to enable users of Thales air traffic control equipment to meet and communicate constructively in an open and friendly environment for the benefit of all its members. In this regard, social media linked to the company’s information system now represent an opportunity (to sell the relationship before selling the goods). The parties to the exchange interact, in this instance, by working side by side with mutual empathy.
Whether local or expatriate “client-managers”, “key account managers” or “customer insight managers”, international managers would, in addition to their cognitive skills, benefit from strengthening and maintaining their interpersonal skills by initiating a process of learning the managerial routines of the culture of the targeted country. A systematic search for a fit between, on the one hand, the characteristics, personality traits, experience, and trust in the partner’s adaptive and intercultural communication capacities and, on the other, the phase through which the relationship between the exporter and his customer is passing, is therefore essential.

MARKETING OF INTERNATIONAL PURCHASING

The third and final managerial implication concerns the bringing together of purchasing and marketing in international companies. Given the salience of the relational and interactional dimensions in international customer/supplier exchanges, the long-term and the systematic taking into account of the interests of both parties, the purchasing function is set to become more active, even proactive, in the suppliers’ market (by increasingly adopting a marketing approach both internally and externally). This reverse marketing, well-known to researchers in B-to-B marketing, but little used by professionals, needs to be developed. Obviously this would involve a repositioning of the purchasing function within the global company – firstly, by bringing together the import and export departments in order to have a 360° view of international activities. For example, large retail groups would benefit from combining processes related to the purchasing and logistics of imported products with the export of their products/stores worldwide. Next, it is a matter of continually stimulating innovation and new forms of cooperation in order to better take advantage of new projects among suppliers. To this end, the organizing by the purchase of regular ‘Vendor Management’ meetings, roundtables and seminars to meet and/or train suppliers in relation to technical or emerging issues (e.g. sustainable development, social quality, ethics, etc.) would be a way to promote better management of interpersonal communication. The example of the Japanese group Rakuten, a world leader in the area of electronic marketplaces, illustrates this type of action. A year after acquiring the French group PriceMinister, it opened its first corporate university dedicated to its European suppliers. Seeking to re-evaluate its strategy, the group has worked firstly on communicating its new strategic orientations and, secondly, on offering its European suppliers a training program on the commercial optimization of Internet tools. More generally, such practices can be expected to stimulate the emergence of new ideas that could lead to new collaborations, including inter-supplier collaborations, thereby laying the groundwork for a future international network, the vector of overall performance for the company and all its partner suppliers.

The table below summarizes our theoretical findings and its possible application in managing relationship quality in dynamic perspective.

### Table 2: Nature and levers of relationship quality in the different phases of the relationship

<table>
<thead>
<tr>
<th>Phase</th>
<th>Nature of relationship quality</th>
<th>Levers of relationship quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exploration</td>
<td>• Calculated trust • Calculated commitment • Transactional satisfaction</td>
<td>• Product quality, service quality • Economic benefits • Logistics • competence</td>
</tr>
<tr>
<td>Expansion</td>
<td>Maintenance</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>• Cognitive trust</td>
<td>• Affective trust</td>
<td></td>
</tr>
<tr>
<td>• Economic and cognitive commitment</td>
<td>• Affective commitment</td>
<td></td>
</tr>
<tr>
<td>• Transactional/reational satisfaction</td>
<td>• Relational satisfaction</td>
<td></td>
</tr>
<tr>
<td>• Attention, listening and availability</td>
<td>• Cultural sensitivity</td>
<td></td>
</tr>
<tr>
<td>• Investment in taking account of the customer’s issues</td>
<td>• Warmth, empathy. Active listening</td>
<td></td>
</tr>
<tr>
<td>• Adaptive responses</td>
<td>• Openness in communication</td>
<td></td>
</tr>
<tr>
<td>• Strength of proposals and advice</td>
<td>• Flexibility, strength of proposals</td>
<td></td>
</tr>
<tr>
<td>• Knowledge of the importer’s business practices</td>
<td>• Complete mastery of the importer’s business practices</td>
<td></td>
</tr>
<tr>
<td>• Feedback</td>
<td>• Adaptive and proactive responses</td>
<td></td>
</tr>
<tr>
<td>• Feedback</td>
<td>• Formal/informal feedback</td>
<td></td>
</tr>
</tbody>
</table>

**CONCLUSION, LIMITATIONS AND FUTURE RESEARCH**

Study of the nature and determinants of relationship quality according to the phase of the relationship is intended to allow better management of exporter-importer relations. The “evolutionist” bias of relationship quality under the effect, among other factors, of cultural sensitivity, offers us a richer and more instructive framework of customer/supplier relationship at an international level. The DSO approach has shown the importance of the historical development of successive stages in the long term. This paper has endeavored to improve our understanding of this history: how relationship quality is transformed according to each phase of the relationship. We think that it complements and extends previous research. The discovery of relationship quality determinants and its various dimensions will, in our view, improve the importer-exporter relationship.

Two limitations to this study should, however be emphasized. The first concerns the multi-sectoral nature of the sample, which can mask moderating effects related to the nature of the product or industrial specificities; the second is the monadic character of the research, especially in a field where the dynamics of relationship will call increasingly on bilateral or even multilateral governance between the exchange partners. It is reasonable to suppose that a dyadic study would have shown potential discrepancies between the respective views of the exporter and importer.

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IMP Group:


APPENDIX 1 : THE PHASES OF THE RELATIONSHIP

The theory of relationship development proposed by Dwyer et al. (DSO) postulates that intercompany relationships develop, over time, according to a predictable stable series of events that occur in a fixed order in the five following phases.

1- Awareness. This phase –pre-exchange process- is characterized by the wish to build a partnership and by identification with a partner.

2- Exploration. During this phase, the partners find out about each other and test each other. They each try to assess the objectives and benefits of the other.

3- Expansion. In this phase, the two partners begin to reap the fruits of their collaboration. A certain level of confidence and satisfaction begins to develop, especially if the results are positive.

4- Maintenance. This phase can only be reached if both partners are convinced about the advantages of the collaboration and about the other party’s behavior. Three elements are necessary in this phase: contributions, a long-term orientation, and consistency.

5- Dissolution. Marking the end of the collaboration, this phase can occur at any point in the relational process.

APPENDIX 2: RESULTS OF THE TESTS OF THE QUALITATIVE STUDY

Kruskal-Wallis test
- Homogeneity of profiles of respondents and companies in the three sub-samples:
  * The age distribution of respondents is the same in all phases $H(2) = 0.986, p > 0.05$
  * The distribution of the number of employees the same in all phases $H(2) = 0.132, p > 0.05$
- Heterogeneity of the three sub-samples in relation to the duration of the relationship and the length of time the respondents have had their job:
  * The distribution of the duration of the relationship varies significantly in the different phases $H(2) = 10.082, p < 0.05$
  * The distribution of length of time in the job varies significantly in the different phases $H(2) = 11.431, p < 0.05$

APPENDIX 3: Interview guide

1: The Relationship with a foreign supplier:
   *The relationship with your principal foreign supplier:* (I am going to ask you to choose one supplier from your partners, the supplier with whom you maintain a very close relationship)

How long have you been working with this supplier?
In this relationship, who exactly is your contact person?
According to which criteria did you choose this supplier?
In your view, what are the most important elements in your relations with this supplier?
According to you, what are the key elements that encourage a better relationship with your partners?
(What are the crucial elements that can improve the quality of your relationship with your partners?)

2: The characteristics of each phase:

Present once more the phases of the relationship and their characteristics.
Ask the interviewee to confirm the current phase chosen with the supplier.

Trust:
Concerning the issue of trust, what degree of trust do you have with your supplier?
What is the nature of that trust? (calculated trust, cognitive trust, trust based on a good connection and relationship?)
Do you think that at this stage of the relationship, that trust is the determining factor?
Did the fact that you trust this supplier allow you to develop this relationship?
In what sense?

Commitment:
In terms of commitment, were you committed from the beginning of the relationship?
In what way?
Would you say that commitment is characteristic of this phase?
What is the nature of this commitment? (cognitive; affective)
Have you ever considered ending the relationship with your supplier?

Satisfaction:
Is satisfaction an important criteria in this phase? (transactional; relational)
What exactly are you expecting from your supplier during this phase?

Cultural Sensitivity:
Is your supplier aware of any difficulties that you have encountered during your business activities with them?
Does your foreign supplier pay attention to the way that you carry out your business activities?

Do you think that the fact that your foreign supplier is adapted to the way that you do business and understands how you conduct your activities, has improved the quality of the relationship?
In what sense? Specify.

Identification criteria

FIRM:
Name :
Subsidiary :
Number of employees
Activity sector :

Purchasing responsible :
Name :
Function :
Age :
Number of years in this function: